



April 21, 2015

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street NW
Washington, DC 20554

VIA ECFS

RE: In the Matter of Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On April 20, 2015, William A. Squires, CEO of Blackfoot Telephone Cooperative, Inc. ("Blackfoot") and I met telephonically with Carol Matthey, Suzanne Yelen, and Alex Menard of the Wireline Competition Bureau. The purpose of the meeting was to express Blackfoot's support for the Federal Communications Commission's Alternative – Connect America Cost Model ("A-CAM").

Blackfoot explained how it has used the USF support it receives to efficiently construct, operate, and maintain its rural network. Specifically, Blackfoot described how it has pushed fiber-to-the node deep into its network and was one of the first rural telecom companies to deploy an all IP-core transport network. As a result of these efficiencies as well as how the existing rate-of-return rules distribute USF support, Blackfoot has lost a substantial amount of its USF support under the traditional mechanism, and will continue to see significant reductions to its annual High Cost Loop support even with the implementation of a "frozen" national average cost per loop.

Blackfoot believes the current version of the A-CAM, subject to review of certain study area boundaries, presence of competitors, and other yet-to-be finalized inputs, is a fair and equitable means of distributing USF support for those rate-of-return carriers wanting to base their USF support on forward-looking costs. Blackfoot urged that high cost companies that adopt model-based USF support must be guaranteed a set level support for a period of at least 10-years.

Blackfoot also explained that it would be impossible for it to provide 10/1 Mbps broadband coverage to 100% of its service territory for two reasons. First, Blackfoot has two local exchange areas that are "islands." These islands can only be reached by transport services provided by the incumbent price cap carrier, CenturyLink, which has repeatedly told Blackfoot that it does not have any transport capacity in those areas. Second, Blackfoot explained that a certain number of locations within its service territory

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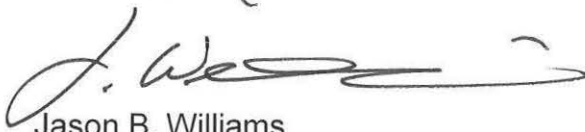
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are "off the grid," in remote areas with no power. At a minimum, carriers faced with these situations should not be obligated to provide broadband services in these situations because they involve issues beyond the carrier's control.

By adopting model-based support at set amounts for a fixed-term and by making the broadband deployment obligations clear, the Commission will provide rural carriers with specific, sufficient and predictable support that is required under Section 254(b)(5) of the Telecommunications Act. More importantly, adoption of the A-CAM will provide Blackfoot and other carriers electing alternative support with the ability to provide greater broadband speeds to a greater number of its existing and potential customer base than under the existing rate-of-return rules.

Lastly, Blackfoot discussed the need for a transition or "glide path" mechanism that will allow rate-of-return carriers to transition to model-based support. Blackfoot supports the use of Connect America Fund reserves for those carriers electing model-based support to incentivize as many rate-of-return carriers as possible to migrate to forward-looking USF support. While Blackfoot does not oppose the reformation of the existing rate-of-return rules, it believes those reform efforts need not be complete prior to the Commission's adoption of the A-CAM mechanism.

Sincerely,



Jason B. Williams
VP – General Counsel

CC: Carol Matthey
Suzanne Yelen
Alex Menard
William Squires